# Federal Transportation Funding 101

#### **Larry Ehl**

Federal Relations Manager

ehll@wsdot.wa.gov

Future updates and information: www.wsdot.wa.gov/funding/federal

August 22, 2009



## Some Congressional 101...

#### **Authorizing Committees**

Establishes, continues, and modifies agencies and programs, funding ceilings, criteria and rules, and funds some projects.

House Transportation - Reps. Larsen, Baird

House Ways & Means - Reps. McDermott, Reichert
Sets tax policy and budget levels to guide appropriations.

Senate Banking - No representation Transit.

Senate Commerce and Science - Cantwell Highway safety, aviation, rail issues.

**Senate Environment & Public Works - No representation** Highways.

Senate Energy & Natural Resources - Cantwell

**Senate Budget - Murray**Sets budget level for other committees.

Senate Finance - No representation Sets fuel taxes, tax policy.

#### **Appropriating Committees**

Specifies what's funded, the amount, and any requirements & restrictions. May add or adjust program and spending criteria.

#### **House Appropriations - Rep. Dicks**

<u>Transportation, Treasury and Independent Agencies</u> Subcommittee - **No representation** 

<u>Homeland Security Subcommittee</u> - No representation

**Senate Appropriations - Senator Murray** 

<u>Transportation, Treasury, Housing Subcommittee</u> - <u>Senator Murray – Chair</u>

<u>Homeland Security Subcommittee</u> - **Senator Murray** 

### Some federal transportation 101...

#### Federal surface transportation law establishes . . . .

- federal transportation taxes and fees
- distribution of federal funding among states and local agencies
- funding levels for transportation modes and programs
- rules for how funds can be spent
- safety and environmental regulations that guide the design, construction and operation of state and local transportation facilities using federal funds

## Who gets federal transportation funds & for what?

Who: State Counties

Cities Ports

Transits Universities

Airports Regional Groups

Ferries Coalitions

For: Construction Planning, Design

Research Rail Crossings & Facilities

Busses Bus Facilities

Trails Trails

Runways & Towers Ferries & Terminals

Security improvements Historic Redevelopment

Sidewalks Museums

Parking lots Visitors & Welcome Centers

# How much federal transportation funding does Washington State receive?

SAFETEA-LU (the 6-year authorizing legislation) provided about \$550 million in earmarks for 116 state & local projects<sup>1</sup>.

Annual appropriations earmarking provides about \$55 million.

Annual formula funding is an important supplement and complement to state transportation funding<sup>1</sup>:

29% of the 2007-2009 WSDOT capital budget

24% of the 2009-2011 WSDOT capital budget<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> Percentages and numbers are approximate and subject to change per Congressional action.

## SAFETEA-LU project funding by region

- East (Adams, Asotin, Benton, Ferry, Franklin, Okanogan, Spokane, Walla Walla) \$27,774,000 for 13 projects
- Central (Chelan, Yakima)
   \$9,250,000 for 3 projects
- Northwest (Whatcom, Skagit, San Juan, Island)
   \$27,442,400 for 13 projects
- Puget Sound (Snohomish, King, Pierce, Kitsap)
   \$416,675,680 for 63 projects
   \$227 for Alaska Way Viaduct
- Southwest (Thurston, Lewis, Cowlitz, Pacific, Clark, Skamania, Klickitat, Wahkiakum) \$56,439,000 for 25 projects
- Statewide \$750,000 for 1 project

## Earmarks at-a-glance

- Federal transportation earmarks are Congressionally-designated funds of a specific amount for specific projects. They are found in annual appropriations legislation that funds federal transportation programs, and in the authorizing legislation which is passed about every six years.
- Use of federal transportation funds requires compliance with a variety of federal laws governing consultant selection, environmental protection, right-of-way acquisition, labor and wage practices; and financial management.
- Federal funds are paid as a reimbursement of expenses, and are not provided in advance. Federal funds also require a non-federal funding match.
- Earmark funds are become available about 12 to 18 months after being submitted to Members.

## Earmarks at-a-glance, continued

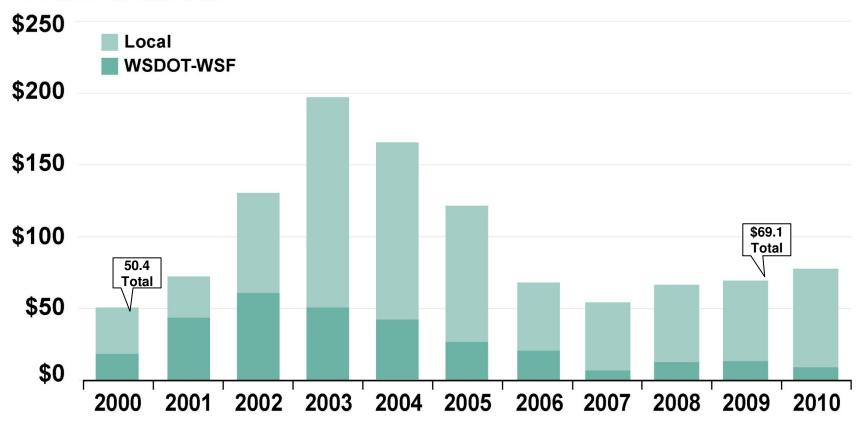
- Transportation earmarks are requested primarily by WSDOT, local agencies (including ports, cities and counties), and transit agencies.
- About ten times more project requests than can be funded are submitted to Congressional members.
- The total dollar amount of the requests of each member is often 20 or 30 times higher than is available to a Congressional member. Agencies rarely receive the full amount requested for the project
- The numbers of earmarks, and the funding levels, have declined and levelled off. This trend is expected to continue.

#### Earmarks: The Process

- Earmark requests are solicited by members of the state's congressional delegation sometime in the first quarter of the calendar year. Local agencies work directly with members in submitting their requests.
- Congressional members submit earmark requests to Appropriations Committee staff in spring.
- Appropriations Committee leadership selects earmarks in consultation with other Members and staff.
- The Appropriations bill is debated, amended, and passed by the Transportation subcommittee and full Appropriations committee in the House and Senate sometime in late spring to early fall.
- The full House and the full Senate each debate, amend, and pass their version of the legislation; this typically occurs in late fall, but often is delayed.
- A small group of Representatives and Senators negotiate a final bill. Each chamber
  passes the final bill, and the President signs the bill into law. This typically occurs in late
  fall, but often is delayed.

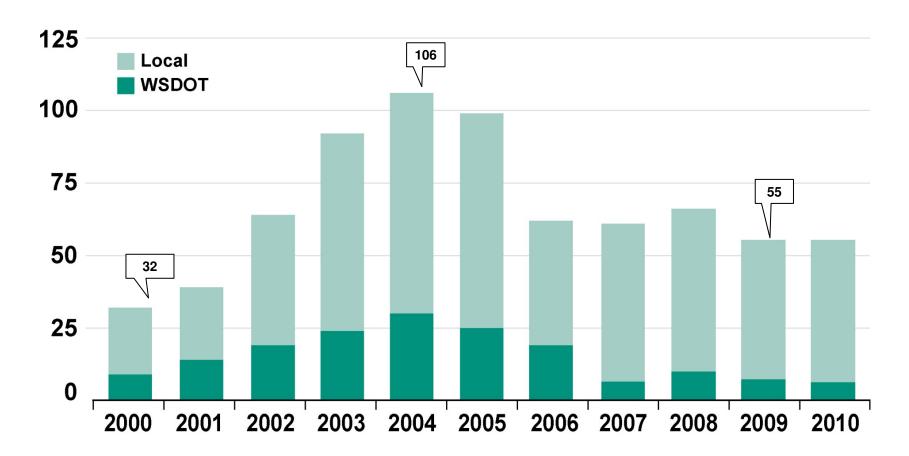
# **Dollars** of federal earmarks, all surface transportation modes, for Washington State have leveled off

#### **Dollars in Millions**



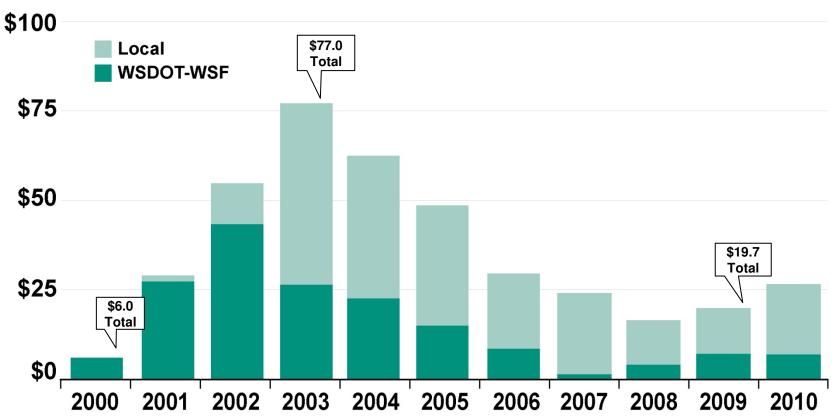
Note: Excludes earmarks for Sound Transit.

# **Number** of federal earmarks, all surface transportation modes, for Washington State have leveled off

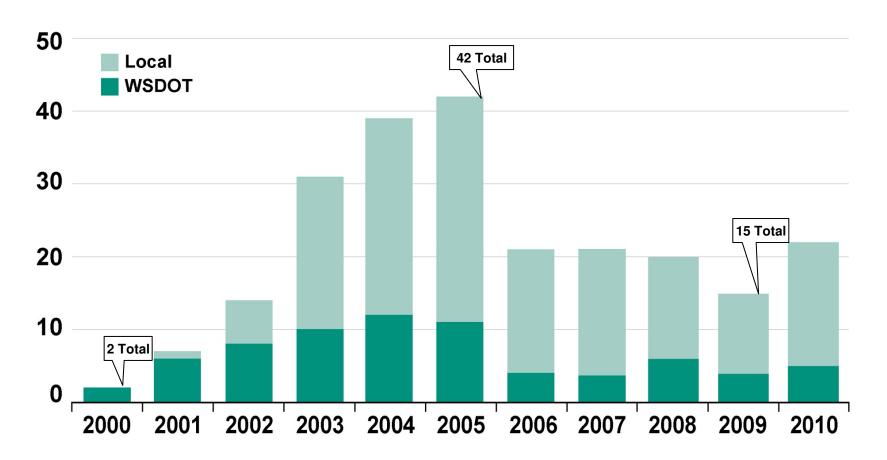


# **Dollars** of federal highway project earmarks in Washington State have leveled off

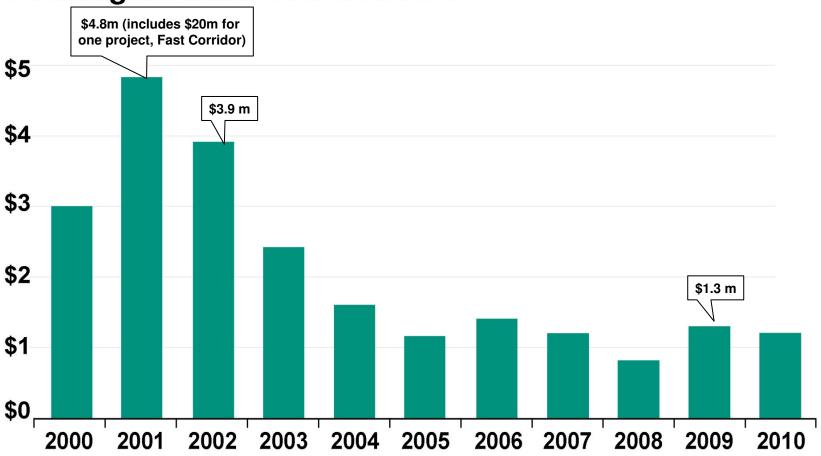
#### **Dollars in Millions**



# **Number** of federal earmarks for highway projects for Washington State have leveled off



# Average federal earmark for highway projects in Washington State has leveled off



Updated August 2009

## 2010 Federal Transportation Funding Opportunities

Program	Applications due	Who can apply	Apply to whom?	Funds disbursed	\$\$ / Project
2009 Approps 10/089/09	Early 2008	State and locals	Congress	Mid/late 2009	~ 1.5 million
ARRA formula	Early 2009	State and locals	WSDOT and USDOT	2009-2010	Varies
ARRA grants	Mid-late 2009	State and locals	USDOT	2009-2010	
2010 Approps 10/09–9/10	March 2009	State and locals	Congress	Mid/late 2010	~ 1.5 million
Reauthorization - House	April 2009	State and locals	Congress	TBD	\$100k – 200m over 6 years
Reauthorization - Senate	TBD	State and locals	Congress	TBD	\$100k – 200m over 6 years
2011 Approps 10/10-9/11	Early 2010	State and locals	Congress	Mid/late 2011	~ 1.5 million
Reauthorization if no bill in 2009	Early 2010?	State and locals	Congress	TBD	\$100k – 200m over 6 years

#### Increasing the odds for success

- Answer every question on application
- Answer in plain English no engineer-speak
- Broad support and endorsement (e.g., city, county and regional governments; business, neighborhoods; interest groups)
- Explain the project's need and justification, with citations
- First dollar in? (Everyone wants to be *last* dollar in)
- What specifically will funding accomplish?
- What is the strategy for fully funding the project?
- Don't pit federal and state delegations against one another
- Personal tours, personal stories motivates and helps memory
- Remember who funded your project invite to ceremonies